Small Business Set Aside Priorities

Dan E. Shackelford
Associate Director for Small Business
U.S. Army Medical Command

Decisions, Decisions, ...

When to Set Aside

- Above the Simplified Acquisition Threshold
  1) when there is a reasonable expectation that
     1) offers will be obtained from at least two responsible small business concerns offering the products of different small business concerns (see FAR 19.102(f)); and
     2) award will be made at fair market prices.

FAR 19.502-2

When to Set Aside

- Within the Simplified Acquisition Threshold

  Always Set Aside Unless

  1) There is not a reasonable expectation of obtaining offers from two or more responsible small business concerns that are competitive in terms of market prices, quality, and delivery
  2) ...

FAR 19.502-2

When to Set Aside

- Within the Simplified Acquisition Threshold

  Unless

  1) ...
  2) Delivery Orders under indefinite delivery contracts (FAR 16.5);
  3) Orders against Federal Supply Schedules (FAR 8.4); or

FAR 19.502-2

When to Set Aside

- Within the Simplified Acquisition Threshold

  Unless

  4) Requirements currently being performed by an 8(a) participant or requirements SBA has accepted for performance under the authority of the 8(a) Program, unless SBA has consented to release the requirements from the 8(a) Program.

FAR 19.502-2

8(a) Business Development Program

Small Business set aside provisions do not apply to requirements currently being performed by an 8(a) participant or requirements SBA has accepted for performance under the authority of the 8(a) Program, unless SBA has consented to release the requirements from the 8(a) Program.

8(a) Business Development Program

Priorities within the 8(a) program are:

1) HUBZone 8(a) concerns
2) Other 8(a) concerns

13 CFR 126.607(b)

HUBZone or Service-Disabled Veteran

- The contracting officer must have a reasonable expectation that—
  1) Offers will be received from two or more small business concerns in that category; and
  2) Award will be made at a fair market price.

FAR 19.501

HUBZone or Service-Disabled Veteran

Contracting Officer may decide which program to use based on

1) goals,
2) previous accomplishments or
3) other factors

FAR 19.501

Small Business Set Aside

The contracting officer must have a reasonable expectation that—

1) Offers will be received from two or more small business concerns; and
2) Award will be made at a fair market price.

Order of Consideration

1

8(a) Program

1. HUBZone 8(a)
2. Other 8(a)

2

HUBZone Set Aside

SDVOSB Set Aside

3

SB Set Aside

Personal services contracts for health care awarded to individuals are exempt from competition requirements.

(DFARS 206.001(b))

HBCU/MI Set Asides

Set-aside acquisitions for exclusive HBCU and MI participation when the acquisition is for **research, studies, or services** of the type normally acquired from higher educational institutions and there is a reasonable expectation that—

1) Offers will be submitted by at least two responsible HBCUs or MIs which can comply with the subcontracting limitations in the clause at FAR 52.219-14;
2) Award will be made at not more than ten percent above fair market price; and
3) Scientific and/or technological talent consistent with the demands of the acquisition will be offered.

DFARS 226.7003-1

Withdrawing or Modifying Small Business Set-Asides

- Written notice stating the reasons
  1) To the agency small business specialist and
  2) To the SBA procurement center representative, if one is assigned.
  3) Include in the contract file.

FAR 19.506